Circulation of old notes

†2852. SHRI R.S. GAVAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that various banks of the country give very old notes to their customers which are difficult to be circulated in the market;

(b) if so, whether Government would get the date of issue printed on the notes which would be issued by the Reserve Bank in future;

(c) if so, the details thereof;

(d) if not, the reasons therefor;

(e) whether Government would instruct the banks not to issue ten year old notes in future;

(f) if so, the details thereof; and

(g) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) RBI has reported that there is in place a mechanism to issue fresh and good quality notes and retrieve soiled notes from circulation through its 18 issue offices, one sub-office and 4417 currency chests. Whenever cases of non compliance with RBI's guidelines on Clean Note Policy are found, action is immediately taken by RBI against erring banks.

(b) to (d): The soiled notes are retrieved irrespective of the year of printing. However, RBI has reported that with the introduction of additions/new security features, it has been decided to introduce the year of printing at the printing stage on the reverse side of bank note.

(e) to (g) The year of printing of the bank note is not the determining factor for issuance or retrieval of bank notes.

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†Original notice of the question was received in Hindi.